(a) whether Government's attention has been drawn to the news-item "Rs. 2100 crore tax evasion by MNCs" which appeared in the Asian Age, dated the 23rd May, 2000; and

(b) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) and (b) The news item is a coverage of the reply given by the Ministry to Lok Sabha Starred Question No. 671 answered on 12.5.2000, regarding tax evasion by MNCs. The reply also indicated the action taken by the Government against such MNCs.

Restriction on local calls of Government officials

1786. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the number of local calls reimburseable to officials on Government telephones provided at their residences and since when the present limit is in force;

(b) whether any limit in this behalf exist in case of officials who have been officially provided computer and internet facility at their residences; and

(c) whether Government propose to reveiw the matter and issues fresh guidelines in view of above developments as well as restrictions of local calls to three-minutes duration?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Officials eligible for residential telephones are entitled to 650 free local calls on bi-monthly basis (excluding STD calls made for official purpose and so certified by the officer concerned) since 1982 on Government expenses in addition to 150 free calls allowed by MTNL/ Telecom Department.

(b) Officials are not entitled to any additional free calls on account of provision of computers and internet facility at their residences.

(c) No, Sir.

Payment of exhorbitant rents by Central Excise Department, Mumbai

1787. SHRI K. M. SAIFULLAH: Will the Minister of FINANCE be pleased to state:

(a) Whether it is fact that Central Excise Department located at Piramal Chambers in Mumbai are paying exhorbitant rents;

(b) If so, the reasons for paying more than prevailing market rents; and

(c) The action proposed to be taken against those involved in such unfair deals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) to (c) The Central Excise Department has been paying rent for its offices located at Piramal Chambers in Mumbai in accordance with the procedure laid down by the Government of India for this purpose.

However, as the rent reasonability certificate issued by the CPWD during the last revision of rent (later withdrawn) has been reported to be based on factually incorrect information, the matter is being enquired into by the C.B.I. The outcome of the enquiry is awaited. Further action will be taken after the findings of the enquiry are known.

Amendment to Income Tax Act for speedy recovery of dues

1788. SHRI R. S. GAVAI: Will the Minister of FINANCE be pleased to state:

(a) Whether the Government propose to amend Income Tax Act to speed up recovery of tax arrears;

(b) if so, the details thereof;

(c) whether it is fact about Rs. 40,000 crores is due for recovery in the form of direct taxes; and

(d) if so, the steps proposed to be taken by the Government for recovery of dues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) and (b) No Sir, at present there is no proposal to bring forward amendment in the Income Tax Act to speed up recovery of tax arrears. However, certain suggestions received in this regard are being examined.

(c) Yes Sir. the provisional figures of the total outstanding arrear demand of Corporation Tax and Income Tax as on 31.3.2000 is Rs. 53136.58 crores.

(d) Income Tax Act prescribes a statutory procedure for collection and recovery of taxes. The recovery of the outstanding tax is a continuous process.